

Summary of Interim Capital Projects

College of Charleston		
Simons Center for the Arts		
Expansion	\$ 1,500,000	-increase budget
Physical Education and Athletics Ctr.		
Complex	\$ 2,000,000	-increase budget
Medical University of South Carolina		
Parking Garage Improvement	\$ 800,000	-establish project
USC-Columbia		
Humanities Pavilion Restaurant Construction	\$ 650,000	-increase budget
Harper Elliott Renovation/Fire Protection	\$ 1,012,464	-establish project
Tri-County Technical College		
Anderson Campus – Site Development	\$ 1,750,000	-establish project
Trident Technical College		
Building 950 Warehouse	\$ 800,000	-increase budget

Leases

Medical University of South Carolina	
Rutledge Tower Parking Garage	\$ 490,000/yr
Conceptual Approval -New Parking Garage	\$ 1,300,000/yr (estimate)

Information Item

College of Charleston
Result of RFP Concept Approval - George Street Project – Purchase/Construction of Residence Hall, Apartments, and Cafeteria

Descriptions of Interim Capital Projects for Consideration
November 3, 2005

College of Charleston

Simons Center for the Arts

Expansion (previous budget = \$20,000,000)	\$1,500,000	-increase budget
Source of funds:	\$ 1,500,000	-excess debt service
Proposed Budget:	1,500,000	-professional service fees
	13,500,000	-new construction
	5,500,000	-renovations – building interior
	<u>1,000,000</u>	-contingency
Total Budget:	\$21,500,000	

Description

This request is to construct an additional 188,688 gross square foot addition to the Simons Center for the Arts. The project began in 2000 with Capital Improvement Bond (CIB) funds of \$3 million. In 2001, an additional \$3 million in CIB was provided by the Legislature. The institution later added \$13 million in institution bonds and \$1 million in private funds. This request is to increase the project budget to reflect the cost estimate following completion of the construction design documents.

Recommendation

Staff recommends approval of the project as proposed.

College of Charleston

Physical Education and

Athletics Center Complex (previous budget = \$24 million)	\$2,000,000	-increase budget
Source of Funds:	\$2,000,000	-revenue bonds
Proposed Budget:	1,800,000	-land purchase
	2,222,000	-professional service fees
	1,125,000	-equipment and/or materials
	28,500,000	-new construction (approx. 189,000 gsf)
	3,600,000	-renovations-building interior
	<u>753,000</u>	-contingency
Total Budget:	\$38,000,000	

Description

This project received \$12 million in the 1999 CIB bill, and was officially established by the Budget and Control Board on December 14, 1999. At the time it was established, the cost of the

project was estimated to be \$40 million. Following the document design stage and the completion of the Design Development documents, the total cost has been reduced to approximately \$38 million. This increase is to reflect the current cost estimate.

Description

Staff recommends approval of the project as proposed.

Medical University of South Carolina

Parking Garage Improvement	\$ 800,000	—establish project
Source of Funds:	\$ 800,000	—parking revenue
Proposed Budget:	80,000	—professional service fees
	250,000	—site development
	390,000	—new construction
	<u>80,000</u>	—contingency
Total Budget:	\$ 800,000	

Description

The 640-space parking garage began service in June 2005. The garage primarily serves to park patients and visitors to the College's hospitals and clinics, especially the ambulatory care clinics located at the Rutledge Tower complex.

The garage was designed with two elevators, one at the north side and one at the south side. The magnitude of garage users migrating to the Rutledge Tower clinics has simply overwhelmed the elevator on the south side. The unanticipated volume of pedestrian movement, coupled with eight levels of parking, has made overall elevator service unacceptable.

As a solution, a second elevator tower will be constructed on the south side of the garage. Design and construction is likely to be complicated by the existence of underground fuel tanks on the south side area. At least one of the two tanks will need to be replaced in order to construct the additional elevator. The total project cost estimate is preliminary at this point, but the estimate does include funds for the replacement of these fuel tanks that should be necessary to construct the new elevator.

Recommendation

Staff recommends approval of this project as proposed.

USC-Columbia

Humanities Pavilion Restaurant

Construction (previous budget = \$1.1 million)

\$ 650,000 –increase budget, revise scope

Source of Funds:

250,000 –auxiliary funds

400,000 –cafeteria renovation/reserve

\$ 650,000

Proposed Budget:

100,000 –professional service fees

1,550,000 –new construction

100,000 –contingency

Total:

\$1,750,000

Description

The proposed project is to construct a new restaurant in the patio area bordered by Gambrell Hall, Humanities Classroom Building, and the J. Welsh Humanities (Office) Building. As programming and design have progressed on the project, the scope of the project has increased.

The plan has expanded from a single-story building to a building with two dining mezzanines – one served by an elevator. Also, the kitchen design has been revised to allow for on-site food preparation and china service, necessitating the installation of additional kitchen equipment and supporting infrastructure. The increase in scope requires an increase of \$650,000 to the project budget.

Recommendation

Staff recommends approval of this project as proposed.

USC-Columbia

Harper Elliott Renovation/

Fire Protection

\$ 1,012,464 –establish project

Source of Funds:

\$1,012,464 –housing maintenance reserve

Proposed Budget:

55,015 –professional service fees

120,000 –site development

694,449 –interior building renovations

43,000 –utilities renovations

100,000 –contingency

Total:

\$1,012,464

Description

Harper Elliott Residence Hall, constructed in 1837 and 1848, is a historical landmark located in the Horseshoe. Major modernization efforts are required in the building to enhance the living

standards of the student residents. The scope of work will consist of kitchen cabinetry replacement, interior painting/finishes, HVAC upgrades, plumbing upgrades, and the installation of a new emergency generator. Life Safety upgrades will also be included in the project.

Recommendations

Staff recommends approval of this project as proposed.

Tri-County Technical College

Anderson Campus –

Site Improvement	\$1,750,000	–establish project
Proposed Budget:	1,565,000	–site development
	85,000	–professional service fees
	<u>100,000</u>	–contingency
Total:	\$ 1,750,000	
Source of Funds:	\$ 1,750,000	–Local Funds

Description

The College received approval from the Budget and Control Board on May 17, 2005, for a 20-year lease of the Anderson Campus with TCTC Foundation, LLC. The facility will eventually belong to the College. According to the terms of the lease as approved by the Budget and Control Board, the College is responsible for all costs associated with site development, including clearing, grading, utilities, roads, parking, and landscaping. This request is to complete site development for the property.

Recommendation

Staff recommends approval of this project as proposed.

Trident Technical College

Building 950 Warehouse (previous budget=\$3.3 million)	\$ 800,000	–increase budget
Source of Funds:	\$ 800,000	–local funds
Proposed Budget:	440,000	–professional service fees
	2,835,000	–interior building renovations
	415,000	–other permanent improvements
	<u>410,000</u>	–contingency
Total:	4,100,000	

Description

In November 2003, the College received approval to renovate 25,000 square feet of space in the warehouse that was formerly leased to Bunch Transport. The lease expired in October 2004, and the College has been renovating the space for the college bookstore and facilities management

department. The bookstore is to be relocated from the student center building to the warehouse building.

The College will renovate a portion of the warehouse to display textbooks and instructional supplies, to provide office and storage space, and general warehouse working space to accommodate processing sales orders over the Internet. Also, the facilities management department will be relocated from Building 600 on the main campus into this building. The building will be renovated to support multiple offices, storage space, and tool/workshop space for the department. In addition, the purchasing office will be relocated from building 940 into this building to centralize the support functions. The project increase is to construct a 350 car parking lot for the bookstore and general campus needs.

Recommendation

Staff recommends approval of this project as proposed.

Leases

Medical University of South Carolina

Rutledge Tower Parking Garage \$490,000/yr

Source of Funds: \$490,000 –Parking Revenues

Description

The University is requesting approval to renew its existing lease of the Rutledge Tower Parking Garage. The garage is owned by the Health Sciences Foundation, leased to the University Medical Associates (UMA), and sub-leased by UMA to the University. The sub-lease has been in place since the mid-1990s.

The garage contains 772 parking spaces and is an important component of the University's overall Parking Management Systems. The annualized lease cost to the University is \$490,000. The cost is established to equal the annual debt service remaining on the garage. The rent, as well as all operations and maintenance costs, are paid from generated parking revenues. Each parking space costs the University \$50, and the University charges a minimum of \$55 per space.

Recommendations

Staff recommends approval of this project provide the Budget and Control Board approves the rates and terms of the lease.

Medical University of South Carolina

Concept Approval - New Parking Garage Lease -Estimated cost \$1.3 million/annually

Description

The Medical University requests conceptual approval of the following lease related to the Hospital Authority's construction of a new 1537 space parking garage. The Medical University Hospital Authority planned, as part of the Phase I Replacement Hospital project, the construction of a new major parking facility on the land bordered by the new Energy Plant, Bee and Courtney

streets, and U.S. 17N. The garage is designed to consist of 1,537 parking spaces with very limited street-front clinic space. The total project cost is \$35 million.

Ultimately, the cost of the project could not be included in the federal Housing Urban Development (HUD) financing as initially planned. The Authority successfully secured federal funding by obtaining commitments for \$7.6 million. The garage must be completed by the time the Phase I Replacement Hospital opens in the fall 2007. Therefore, garage construction needs to begin in early 2006.

The Authority will proceed to borrow the remaining funds needed for the construction of the garage. Net of design costs – which have already been paid, – the federal funding commitment, and the cost to construct the clinical space, the Authority will borrow approximately \$25 million. The contractors on site for Phase I Replacement Hospital construction will build the garage.

In order to affect the borrowing, two leases must be executed. The University must ground lease the land for the garage to the Authority. This will be done at a nominal dollar amount. *[The ground lease by MUSC to the Authority does not require CHE approval.]* Second, the University will lease the parking structure from the Authority, effective with the date of completion of construction and operate the garage as part of the University' Parking Management System. This will be a capital lease, most likely with a 20-year term. The lease cost to the University will be equal to the amortization of the Authority's borrowing. The University estimates the annual lease cost to be \$1.3 million, noting the actual lease cost cannot be determined until the actual date of the borrowing. The University's lease costs, including operating costs, will be paid fully from parking receipts. With the estimated lease cost, each parking space will cost \$846 annually, or \$70.50 per month.

Recommendations

Staff recommends approval of this project provided the Budget and Control Board approves the rates and terms of the lease.

Information Item

College of Charleston

George Street Project – Purchase of Residence Hall, Apartments, and Cafeteria

In June 2005, the CHE approved the College of Charleston's request to conduct a Request for Proposals (RFP) in order to solicit proposals for additional freshmen and upperclassmen student beds and a cafeteria.

The RFP resulted in a proposal from Charleston College Housing, LLC. The proposal has been reviewed and evaluated by a selection panel and is considered financially feasible and conservative based on a set of assumptions regarding revenues and expenditures. The land and construction costs for the facility are estimated to be \$53,800,000, which is considered fair and reasonable based on a MAI appraisal. The Budget and Control Board is currently evaluating the request to ensure the purchase price is fair, and must approve the appraisals and terms of the agreement before the College can proceed.